



DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
2531 JEFFERSON DAVIS HWY
ARLINGTON VA 22204-5138

*New report
Retained for
in reply refer to*

5800

Ser 00/125

7 Oct 97

MEMORANDUM FOR THE VICE COMMANDER
EXECUTIVE DIRECTOR
COMMANDER, NAVAL SURFACE WARFARE CENTER
COMMANDER, NAVAL UNDERSEA WARFARE CENTER
COMMANDER, NAVAL ORDNANCE CENTER
DEPUTY COMMANDER, NAVAL SHIPYARD AND SUPSHIP
MANAGEMENT AND FIELD ACTIVITY SUPPORT

Subj: DELEGATION AUTHORITY UNDER 10 U.S.C. 2553 TO PROVIDE GOODS
OR SERVICES TO NON-DOD PARTIES

Ref: (a) COMNAVSEA ltr Ser 00L81/33 of 16 May 97

Encl: (1) ASN(RD&A) memo of 11 Aug 97

1. Enclosure (1) delegates to Commander, Naval Sea Systems Command, authority to make 10 U.S.C. 2553 determinations not to exceed \$1M for the sale of articles and services manufactured or performed by DoD working capital funded industrial facilities to persons outside DoD. This memo re-delegates that authority.

By reference (a), COMNAVSEA requested this authority and indicated the NAVSEA officials to whom the authority would be re-delegated. Enclosure (1) specifies the authority is re-delegable only to officials at least one level higher than the activity performing the work. Additionally, enclosure (1) requires legal and comptroller reviews prior to approval of such sales.

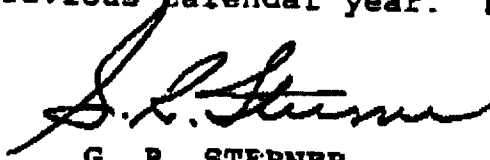
3. The authority to make 10 U.S.C 2553 determinations for sales and services, not to exceed \$1M, is hereby delegated as follows:

Vice Commander, Naval Sea Systems Command
Executive Director, Naval Sea Systems Command
Commander, Naval Surface Warfare Center (NSWC)
Commander, Naval Undersea Warfare Center NUWC)
Commander, Naval Ordnance Center (NOC)
Deputy Commander, Naval Shipyard and Supervisor of
Shipbuilding Management and Field Activity Support
(SEA 07)

4. The Commanders of NSWC, NUWC and NOC, and SEA 07 may re-delegate this authority only to their Technical Director, Executive Director and/or Deputy Commander, provided those officials are Flag Officers or Senior Executive Service.

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5. Enclosure (1) also requires NAVSEA to submit an annual report on the use of this authority. The report will be prepared and submitted by NAVSEA Office of Counsel (SEA OOL). Commands and Directorates shall report their use of this authority to SEA OOL by 14 January each year. At a minimum, the report shall list the identity of the buyer(s) and the amounts and types of articles/services sold during the previous calendar year. Negative reports are required.


G. R. STERNER
Commander

Copy to:
SEA OOL
SEA 01



(Research, Development and Acquisition)
WASHINGTON, D.C. 20350-1000

AUG 11 1997

MEMORANDUM FOR CHIEF OF NAVAL RESEARCH
COMMANDER, NAVAL AIR SYSTEMS COMMAND
COMMANDER, NAVAL SEA SYSTEMS COMMAND
COMMANDER, SPACE AND NAVAL WARFARE COMMAND
COMMANDER, NAVAL FACILITIES ENGINEERING COMMAND
COMMANDER, NAVAL SUPPLY SYSTEMS COMMAND
COMMANDER, MARINE CORPS SYSTEMS COMMAND

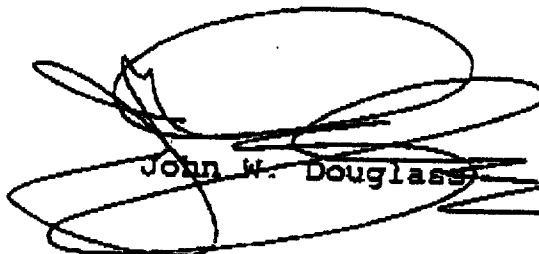
Subj: DELEGATION OF APPROVAL AUTHORITY UNDER 10 U.S.C. 2553 TO
PROVIDE GOODS OR SERVICES TO NON-DOD PARTIES

- Ref: (a) ASN(RD&A) memo of 15 Dec 95, w/encls; subj: Navy
Activities Providing Goods or Services to Non-DoD
Parties
(b) ASN(RD&A) memo of 13 Jun 96, w/encl; subj: Navy
Activities Providing Goods or Services to Non-DoD
Parties
(c) SECNAV memo of 4 Dec 95; subj: Navy Activities
Providing Goods or Services to Non-DoD Parties.

By references (a) and (b), I provided Department of Defense and Navy implementation procedures and policy for 10 U.S.C. 2553 (Section 2553), a statute authorizing sales to private parties by DoD working capital funded industrial facilities. Pursuant to reference (c), the Assistant Secretary of the Navy (Research, Development and Acquisition) has authority to make the service secretary certifications required for Navy activities that seek to sell articles or services to non-DoD customers under the authority of Section 2553.

You are hereby delegated authority to make the Section 2553 certifications for sales not in excess of \$1 million by working capital industrial facilities within your chain-of-command. Legal and comptroller review should be obtained prior to approval of such sales. This authority is redelegable only to officials at least one level higher than the activity performing the work.

In addition, to enable lessons-learned information to be shared with other Navy activities, recipients of this delegation will submit a report annually on the use of this authority to my Deputy for Acquisition and Business Management. The report, commencing in 1998 and submitted not later than 30 January, should at a minimum list buyer(s) and the amounts and types of articles/services sold.


John W. Douglass

Enclosure (1)